said.

“The bottom line is that U.S. monetary policy is considerably more accommodative today than it was as of late last year,” he said.

Conclusion
The FOMC continues to face a slowing economy with some downside risk due to ongoing global trade regime uncertainty, Bullard said. He added that inflation and inflation expectations continue to fall short of the FOMC’s 2% target.

“However, FOMC actions have also changed the outlook for shorter-term interest rates considerably over the last 10 months, ultimately providing more accommodation to the economy,” Bullard said.

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Recent Developments in U.S. Monetary Policy

September 23, 2019

[Presentation (pdf)](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/files/pdfs/bullard/remarks/2019/bullard_effingham_ill_23_september_2019.pdf)| [Press Release](https://www.stlouisfed.org/news-releases/2019/09/23/bullard-discusses-recent-developments-in-us-monetary-policy)| [Photos](https://www.stlouisfed.org#photos)| [Video](https://www.stlouisfed.org#video)

During a presentation in Effingham, Ill., St. Louis Fed President James Bullard noted that the U.S. economy is slowing down relative to 2017 and 2018. He added that the economy faces downside risk that may cause the slowdown to be sharper than expected. “A sharper-than-expected slowdown may make it more difficult for the Federal Open Market Committee (FOMC) to achieve its 2% inflation target,” he said.

He pointed out that the FOMC has tried to help insure against this downside risk by dramatically altering the path of monetary policy during 2019. “The FOMC may choose to provide additional accommodation going forward, but decisions will be made on a meeting-by-meeting basis,” he said.

Video of Presentation and Audience Q&A:

Photos:

On Monday, Sept. 23, 2019, St. Louis Fed President James Bullard discussed recent developments in U.S. monetary policy at the Effingham County Chamber of Commerce. Bullard meets with groups throughout the Eighth Federal Reserve District to share his insights on the U.S. economy as well as gather views from Main Street. Around 70 business and civic leaders attended the event in Effingham, Ill. [Download High Resolution Photo](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/images/bullard/photos/2019/effingham-tour/gallery/effinghamzone1.jpg)

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St. Louis Fed President James Bullard spoke with those attending an Effingham County Chamber of Commerce luncheon on Monday. Interacting with local business and civic leaders in communities like Effingham, Ill., gives Bullard a better understanding of the economic dynamism in the Eighth District. [Download High Resolution Photo](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/images/bullard/photos/2019/effingham-tour/gallery/effinghamzone3.jpg)

On Monday, St. Louis Fed President James Bullard discussed U.S. monetary policy with a group of community bankers from downstate Illinois during a visit to Effingham, Ill. Shown above (from left to right) are Patricia Clarke, president and CEO of First National Bank of Raymond in Raymond, Ill., and a member of the St. Louis Fed's board of directors; Bullard; and David Doedtman, president and CEO of Washington Savings Bank in Effingham and a member of the St. Louis Fed's Community Depository Institutions Advisory Council. [Download High Resolution Photo](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/images/bullard/photos/2019/effingham-tour/gallery/effinghamzone4.jpg)

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- **September 20, 2019**. President Bullard Explains His Recent FOMC Dissent, Federal Reserve Bank of St. Louis *On the Economy* blog.

  President Bullard Explains His Recent FOMC Dissent

  By [James Bullard](https://www.stlouisfed.org/from-the-president), President and CEO, Federal Reserve Bank of St. Louis

  The following is a statement by Federal Reserve Bank of St. Louis President Jim Bullard explaining his dissenting vote at the FOMC's Sept. 17-18, 2019, meeting:

  I dissented with the Federal Open Market Committee (FOMC) decision announced on Sept. 18, 2019, to lower the target range for the federal funds rate by 25 basis points to 1.75%-2.00%. In my view, lowering the target range by 50 basis points to 1.50%-1.75% would have been a more appropriate action. The following considerations factored into my decision.

  First, there are signs that U.S. economic growth is expected to slow in the near horizon. Trade policy uncertainty remains elevated, U.S. manufacturing already appears in recession, and many estimates of recession probabilities have risen from low to moderate levels. Moreover, the yield curve is inverted, and our policy rate remains above government bond yields for nearly every country in the G-7.

  Second, core and headline personal consumption expenditures (PCE) inflation measures continue to run some 40 to 60 basis points, respectively, below the FOMC's 2% inflation target. Market-based measures of inflation expectations continue to indicate expected longer-term inflation rates substantially below the Committee's target. This is occurring despite the 25